

SENATE BILL No. 187

DIGEST OF INTRODUCED BILL

Citations Affected: IC 20-47-1-7.

Synopsis: Donations to educational foundations. Reenacts a provision (which expired in 2012) that authorizes a school corporation to donate up to \$25,000 per year from any fund of the school corporation from which the donation may be legally made to a public school endowment corporation or nonprofit charitable community foundation if the donation is matched by a private donor. Specifies that the principal and income from the donation shall be distributed only to the school corporation as directed by resolution of the governing body of the school corporation, and that the school corporation may use the distributions only for programs and activities that enhance the quality of education or extend learning opportunities for students of the school corporation.

Effective: July 1, 2015.

Waltz

January 6, 2015, read first time and referred to Committee on Education & Career Development.



First Regular Session 119th General Assembly (2015)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

SENATE BILL No. 187

A BILL FOR AN ACT to amend the Indiana Code concerning education.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 20-47-1-7 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2015]: **Sec. 7. (a) The governing body of a school corporation**
4 **may annually donate an amount not to exceed twenty-five**
5 **thousand dollars (\$25,000) from any fund of the school corporation**
6 **from which the donation may be legally made to a qualified**
7 **foundation under the following conditions:**
8 **(1) For every dollar that the school corporation donates to the**
9 **qualified foundation, a private individual or entity must**
10 **donate at least one dollar (\$1) to the qualified foundation:**
11 **(A) for the benefit of the school corporation; and**
12 **(B) for the purposes designated by the school corporation**
13 **for the school corporation's donation.**
14 **(2) The qualified foundation retains all rights to the donation,**
15 **including investment powers, except as provided in**
16 **subdivision (3).**



(3) The qualified foundation agrees to do the following:

(A) Distribute the principal and income from the donation only to the school corporation as directed by resolution of the governing body of the school corporation.

(B) Return the donation to the fund of the school corporation from which the donation was taken if the qualified foundation:

(i) ceases to operate as a qualified foundation;

(ii) is liquidated; or

(iii) violates any condition of the endowment set by the governing body of the school corporation.

(C) Open the books of the qualified foundation for examination at the request of the state board of accounts to the extent necessary for the state board of accounts to determine the manner in which the school corporation's donation and any matching donations have been held or distributed.

(b) A school corporation may use distributions from a qualified foundation received under a resolution referred to in subsection (a)(3)(A) only for programs and activities that:

(1) enhance the quality of education; or

(2) extend learning opportunities;

for students of the school corporation.

